



Council Meeting Summary

Monday, February 11, 2013

Constitution Hall – Lansing, Con-Con room

1:00 to 3:00 pm

Members in attendance:

Auday Arabo, Susan Goodell, Marty Gerencer, Dennis West, Rebecca Cook, Marla Moss, Gwen Imes, Amy Klinkoski, Kendra Wills, Mike Hamm, Amanda Edmonds, Howard Straub, Gary Wozniak, Jim Goodheart, Todd Regis

Task force members present:

Michelle Napier Dunnings, Anne Ginn, Viki Lorraine, Deanna Kelleher, Jean Egan, Natasha Lantz, Amanda Shreve

MDARD staff:

Byron Beerbower, Tim Slawinski, Kevin Besey

Kevin Besey chaired the meeting on behalf of Jamie Clover Adams and welcomed new MFPC members. Kevin Besey chaired the meeting on behalf of Jamie Clover Adams and welcomed new MFPC members. Jane shared the MFPC and Task Force meeting schedule for 2013 and the October meeting summary. She also shared that MFPC is finishing up its 2nd year of its 3 year grant from the Kellogg Foundation and is seeking funding for MFPC's future.

Updates and Presentations:

1. Farm Food Safety for everyone!

Natasha Lantz described the issue, that there needs to be a scale-appropriate farm food safety certification program for very small scale farmers. Byron Beerbower and Tim Slawinski from MDARD provided additional perspective and info about the 2013 Food Safety Modernization Act (FSMA) and its effect on small and very small scale food safety and risk assessment.

- **The Problem:** GAP (Good Agricultural Practices) certification, which is the most recognized certification program for farm food safety, is unattainable for very small and small farms due to the diversity of agricultural products that they produce.

If food safety is truly the goal of GAP certification, then modifying the audit process to fit the operational structures of very small and small farms should be a priority. This is especially important if Food Hubs and local food economies are to grow and flourish. A very small or small

farm may not have a huge economic impact on the agricultural economy in its respective area, but the aggregate economic impact generated by many very small and small farms operating in an area is significant.

- **The Suggested Solution** is to create a state-wide certification program for very small and small farms that parallels GAP, is recognized and supported by a diverse group of stakeholders from government representatives to the farmers themselves, and is accepted by insurance companies and risk managers who are influencing the ability of institutional purchasers to buy food from these farms. Forming a state level workgroup to create such a certification system would ensure buy-in from all key entities from the outset.
- **Partners Needed**
For a program like this to be successful, a wide range of industry partners from private and public sectors need to be at the table throughout the entire development process. Some initial stakeholders may include, but are certainly not limited to: Farmers, MDARD, MIFMA, MIFFS, MOFFA, MSUE, MSU Center for Regional Food Systems, U.P. Food Exchange, MI Food Policy Council Taskforces, MI Good Food Steering Committee, Retail Grocers, Hospitals, and Schools.
- **Measuring Success**
The success of the certification program can be measured by an increase in the number of very small and small farms that currently have no farm food safety certification becoming certified under the newly created program. A further measure of the success of the program will be an increase in the number of small and very small farms that sell to institutions. These statistics can be tracked via reporting through the Michigan Food Hub Network.
- ***MFPC Response to the task force recommendation:** There was general support for this approach for economic development. The Council members expressed that the intent of this recommendation is not for more educational tools but for a certification program that assures that the food is safe and can be sold. There would likely need to be a private / public sector food industry partnership to develop and implement the certification program. We need to implement this soon.*
- **Revised recommendation draft:**

The MFPC recommends that MDARD facilitate the development of a process to create a scale-appropriate, state-wide certification program for very small and small farms that parallels GAP, is recognized and is supported by a diverse group of private and public stakeholders.

2. **Creating a Healthy Food Financing initiative for Michigan.**

Food Business Task Force presentation– Dennis West and Auday Arabo

- **The Problem:** Lack of access to fresh and healthy foods for underserved communities and individuals can often be attributed to the proximity to retail grocery stores and other food outlets that sell fresh food. It is estimated by MFPC that close to one million people in Michigan live in areas without easy access to a store that sells fresh and healthy food. We know that lack of access to financial capital is one reason that full-line grocery stores are not in operation in many

underserved locations in the state (referred to as “food deserts” by U.S.D.A.). Financial capital is needed by many kinds of businesses in the food system and not easily available.

- **The Suggested Solution:** A Healthy Food Financing Initiative is a viable, effective, and economically sustainable solution to the problem of limited access to healthy foods, and can reduce health disparities, improve the health of vulnerable families and children, create jobs, and stimulate local economic development in low-income communities. HFFI would attract investment in underserved communities by **providing critical loan and grant financing**. *An HFFI could bring federal dollars back to Michigan, create new businesses, jobs, and bring healthier food to communities that lack it.* The Business task force recommends that MFPC lead the effort to create an HFFI for Michigan that will ultimately be a financing mechanism to advance the goals of the Michigan Good Food Charter.
- **Measuring Success:** There are many ways to measure the success of an HFFI. Funds secured for an HFFI are sought and secured by a Community Development Finance Institution (CDFI) ; which is a non-profit lending and development organization. The CDFI uses financial indicators such as the number of and dollar amount of investments made, *Leverage* the Fund’s activities leverage private-sector investments from banks, foundations, and other funding sources. These data points may be used to measure private-sector leverage and the strength of public subsidy. Jobs created and improved proximity to food retail and other outcomes can also be measured.
- **Partners Needed:** The Michigan Food Policy Council has been convening a stakeholder group made up of local food and food organization leaders, the AFPD, UFCW union, the Kellogg Foundation, State Agency representatives and a local CDFI. This work group has served as the advisory group as this initiative has been formed and has chosen National Capital Bank – Capital Impact (NCBCI), a national CDFI as its fiduciary. NCBCI will be applying for federal funds to start the Michigan HFFI. NCBCI is lending expert who will determine the “credit –readiness” of a project for financing and release funds when approved. The HFFI workgroup will initially advise the CDFI about potential investments and projects needing capital.
- **MFPC Response to the task force recommendation:** *There was general support for this approach for economic development. The Council members said they’d like to understand a bit more about how the HFFI would operate and what the state’s role would be.*
- **New, revised DRAFT Recommendation:**

The Business task force recommends that MFPC, along with state government agencies continue to lead the effort to create an HFFI for Michigan that will ultimately be a financing mechanism to advance the goals of the Michigan Good Food Charter. It is also recommended that the State of Michigan **support the Healthy Food Financing initiative** by:

1. Providing financial investment in the fund
2. Requesting that MEDC identify opportunities to collaborate and support the HFFI and identify other TIMELY, related agriculture economic development tools to assist in the growth and success of the grocery and agriculture industry.
3. Supporting the Michigan Food Policy Council goals and endorsing goals of the Michigan Good Food Charter.

3. Michigan Farmers Market Sector Capacity Building

Access Task Force Recommendation, Amanda Shreve, Amanda Edmonds

- **The Problem:** The access task force has a focus on identifying the barriers and opportunities to making healthy food accessible to everyone in our state. There are many possible reasons why food access is often hindered 1) people don't have money to buy it; 2) proximity: there is not a nearby food outlet that sells it; 3) no transportation to a food outlet; 4) no knowledge about nutrition or how to prepare/ cook healthy food; 5) existing food outlets may not accept BT cards such as the Bridge card for SNAP (food assistance) – just a few barriers to healthy food access. The Access Task Force has had rich discussion, research and brain storming about solutions, considering ones that address as many of these barriers as possible.
- **The Suggested Solution:** Creating new and strengthening existing local farmers market capacity, especially in underserved areas. This approach would be a solution for overcoming many access barriers.
 - The general solution proposed: Michigan's farmers markets have experienced tremendous growth in the recent past years as the demand for locally produced food has increased and SNAP sales have grown. Expanding the current capacity of farmers markets could; 1) strengthen the success of existing markets and create new ones in **underserved communities where there are no food outlets**; 2) create new sources of locally produced foods, creating a new or **better marketplace for farmers to profit**; 3) **jobs**, commerce and strengthened urban / rural connections; 4) farmers markets can provide a venue for the community to gather and **learn about nutrition**, sample new foods.
 - Investing resources to help farmers markets get training and technical business planning assistance expand EBT capacity and ability to **optimize the Double Up Food Bucks** incentive program ultimately could increase **SNAP purchases and consumption of fresh and healthy food**.
 - Farmers markets provide a broad array of solutions and interventions that would ultimately improve access to healthy food.
- **Measuring Success:** In order to evaluate the return on an investment in the farmers market network in Michigan and how access would be increased, for example, it would be possible to determine:
 - The number of new markets created
 - Number of employees trained and jobs created
 - Increase in number of farmers that produce / sell their food thus building the supply of local products
 - That there is at least one market in every county that accepts EBT and SNAP sales
 - How many markets acquired the EBT equipment and knowledge to expand sales
 - Total and SNAP sales at Farmers markets (as is an indicator on the Governor's dashboard),
 - Number of additional markets enrolled in the Double-Up Food Bucks incentive program

- **Partners Needed:** The **Michigan Farmers Market Association (MIFMA)** currently provides leadership and resources to member farmers markets in our state and would be the likely recipient of capacity building investment on behalf of the farmers market network. **Michigan Food and Farming Systems (MIFFS)** could help identify new producers and suppliers to local markets, the Double Up Food Bucks incentive program operated by the **Fair Food Network** could assist in the transitioning to EBT sales and encouraging SNAP recipients to shop at farmers markets. **Michigan Department of Agriculture and Rural Development** by continuing its leadership in building regional food systems and other agriculture economic development, **The Michigan Department of Human Services**, which oversees food access programs for the State, could also help encourage SNAP recipients and could continue to help channel federal and state resources to support EBT technology and other enhancements.
- ***MFPC Response to the task force recommendation:** There was general support for this approach. There was consensus that we are asking the state to invest in a specific **sector** of our economy, not a specific organization or network.*
- New, Revised DRAFT recommendation:
- **The Access Task Force recommends that the State support and help build the capacity of Michigan's farmers market sector and its role in increasing access to healthy foods.**

Next Steps:

The recommendations will go back to their respective task forces to be refined and embellished. Jane will communicate and get feedback from the MFPC members about the recommendation via email and phone and will attempt to present the FINAL versions of the recommendations and context for the report by the end of March.

Next MFPC meeting is on May 6, 2013 at 1:00pm

The meeting concluded at 3:20 pm.

Submitted by Jane Whitacre, 2-22-13